

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

WEBPT, INC., a Delaware Corporation,

Case No.

Plaintiff,

Hon.

v.

MCLAREN HEALTH CARE
CORPORATION, a Michigan
Corporation,

Defendants.

THE MILLER LAW FIRM, P.C.

Seth D. Gould (P45465)

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Attorneys for Plaintiff

COMPLAINT

Plaintiff WebPT, Inc. (“WebPT” or “Plaintiff”), by their counsel, The Miller Law Firm, P.C., states as follows for their Complaint against Defendant, McLaren Health Care Corporation (“McLaren” or “Defendant”):

JURISDICTION AND PARTIES

1. Plaintiff WebPT is a Delaware corporation with its principal place of business in Phoenix, Arizona.

2. Defendant McLaren is a Michigan corporation with its principal place of business in Grand Blanc, Michigan.

3. Jurisdiction is appropriate pursuant to 28 U.S.C. § 1332 as there is complete diversity of citizenship between Plaintiff and Defendant and the amount in controversy exceeds \$75,000, exclusive of interest, costs, and attorneys' fees.

4. The acts, omissions, and events giving rise to this lawsuit occurred in Genesee County, Michigan, which is located in the Southern Division of the Eastern District of Michigan. Venue is therefore proper in this Court pursuant to 28 USC § 1391(b)(2).

GENERAL ALLEGATIONS

5. WebPT provides software solutions for optimizing patient care to outpatient therapy organizations as well as other medical organizations.

6. McLaren operates a series of hospitals and other medical and treatment facilities throughout Michigan.

7. On or about September 10, 2021, WebPT and McLaren entered into the *Order*, signed September 10, 2021, subject to the General Terms Exhibit by and between McLaren Health Care (including its affiliates) and WebPT (the "Contract"). A copy of the Contract, which has been redacted for confidential pricing information, is attached hereto as **Exhibit A**.

8. The term of the Contract was for 12 months, with the term to commence on September 10, 2021.

9. WebPT issued its first invoice on October 1, 2021.

10. Pursuant to Section 6.1 of the Contract, McLaren's payments were due within forty-five (45) days of receipt of an invoice.

11. Under the Contract, McLaren agreed to pay set up and integration fees, as well as monthly subscription fees to WebPT, and WebPT agreed to provide access to its software to McLaren at several of its locations.

12. For its McLaren Central facilities, McLaren agreed to pay \$6,495.00 in setup and integrations costs, invoiced on October 22, 2021, and subscription fee of \$2,101.80 per month, commencing on October 1, 2021.

13. For its McLaren Greater Lansing facilities, McLaren agreed to pay \$6,495.00 in setup and integrations costs, invoiced on October 22, 2021, and a subscription fee of \$2,027.10 per month, commencing on October 1, 2021.

14. For its McLaren Oakland facilities, McLaren agreed to pay \$7,485.00 in setup and integration costs, invoiced on October 22, 2021, and a subscription fee of \$2,815.50 per month, commencing on October 1, 2021.

15. For its McLaren Bay facilities, McLaren agreed to pay \$8,790.00 in setup and integration costs, invoiced on October 22, 2021, and a subscription fee of \$4,104.30 per month, commencing on October 1, 2021.

16. For its McLaren Port Huron facilities, McLaren agreed to pay \$7,980.00 in setup and integration costs, invoiced on October 22, 2021, and a subscription fee of \$3,396.00 per month, commencing on October 1, 2021.

17. For its McLaren Caro facilities, McLaren agreed to pay \$6,495.00 in setup and integration costs, invoiced on October 22, 2021, and a subscription fee of \$910.20 per month, commencing on October 1, 2021.

18. For its McLaren Thumb facilities, McLaren agreed to pay \$6,495.00 in setup and integration costs, invoiced on October 22, 2021, and a subscription fee of \$1,690.50 per month, commencing on October 1, 2021.

19. For its McLaren St. Lukes facilities, McLaren agreed to pay \$7,980.00 in setup and integration costs, invoiced on October 25, 2021, and a subscription fee of \$2,936.10 per month, commencing on October 1, 2021.

20. For its McLaren Macomb facilities, McLaren agreed to pay \$7,980.00 in setup and integration costs, invoiced on October 22, 2021, and a subscription fee of \$2,415.00 per month, commencing on October 1, 2021.

21. For its McLaren Flint facilities, McLaren agreed to pay \$7,980.00 in setup and integration costs, invoiced on December 3, 2021, and a subscription fee of \$4,223.10 per month, commencing on February 1, 2022.

22. For its McLaren Lapeer facilities, McLaren agreed to pay \$6,990.00 in setup and integration costs, invoiced on December 3, 2021, and a subscription fee of \$2,469.00 per month, commencing on February 1, 2022.

23. For its McLaren Northern facilities, McLaren agreed to pay \$7,485.00 in setup and integration costs, invoiced on May 5, 2022, and a subscription fee of \$2,674.20 per month, commencing on October 1, 2022.

24. WebPT sent invoices for payment on the first of each month, commencing in October 22, 2021 and continuing until September 25, 2022.

25. McLaren has not paid WebPT for any of the invoiced setup and integration costs or invoiced monthly subscription fees.

26. Section 6.3 of the Contract provides that “[a]ny portion of any amount payable hereunder that is not paid when due will accrue interest at one-half percent (1.5%) per month...from due date until paid.”

27. On or about May 24, 2022, McLaren gave notice that it was terminating the Contract, effective September 30, 2022.

28. McLaren’s termination of the Contract did not affect McLaren’s obligation under the Contract to pay the past due invoiced amounts, as well as the monthly subscription fees remaining on the term of the Contract.

29. On or about October 13, 2022, Plaintiff demanded that McLaren pay the outstanding amounts due under the Contract.

30. As of the filing of this Complaint, McLaren has refused to remit any amounts due and owing under the Contract.

31. As of the filing of this Complaint, McLaren owes WebPT \$88,830.00 in unpaid setup and integration costs, \$322,294.80 in unpaid monthly subscription fees, and \$29,033.79 in unpaid interest on the unpaid setup and integration costs and monthly subscription fees, for a total of **\$440,158.59** due under the Contract.

COUNT I
BREACH OF CONTRACT

32. Plaintiff realleges and incorporates by reference all proceeding paragraphs as if fully restated herein.

33. The Contract is a valid and enforceable agreement between WebPT and McLaren.

34. WebPT tendered its full performance under the Contract, but McLaren refused to accept.

35. Under the Contract, McLaren agreed to pay WebPT setup and integration costs and monthly subscription fees for the term of the Contract.

36. McLaren breached the contract, as described herein, by failing to pay the setup and integration costs and monthly subscription fees it was required to pay to WebPT under the Contract.

37. As a direct and proximate result of McLaren's breach of the Contract, WebPT has suffered damages, in an amount no less than \$440,158.59, exclusive of costs and attorneys' fees.

RELIEF REQUESTED

WHEREFORE, WebPT demands that judgment be entered against Defendant as follows:

- A. Direct damages in an amount no less than \$440,158.59;
- B. Consequential damages in an amount to be proven at trial, including the accruing unpaid interest fees;
- C. Interest, costs, and attorneys' fees; and
- D. Such other and further relief available at law and equity.

Respectfully submitted,

THE MILLER LAW FIRM, P.C.

/s/ Seth D. Gould

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Attorneys for Plaintiffs

Dated: December 28, 2022

JURY DEMAND

Plaintiff WebPT, by and through their attorneys, The Miller Law Firm, P.C., hereby demands a trial by jury on all issues so triable in the above referenced matter.

Respectfully submitted,

THE MILLER LAW FIRM, P.C.

/s/ Seth D. Gould

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Attorneys for Plaintiffs

Dated: December 28, 2022

CERTIFICATE OF SERVICE

I hereby certify that on December 28, 2022, a copy of the foregoing document was filed electronically through the Court's electronic filing system, which will provide notice to all counsel of record.

/s/ Seth D. Gould

Seth D. Gould (P45465)